

# The American Observer

*A free, virtuous, and enlightened people must know well the great principles and causes on which their happiness depends.—James Monroe*

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WHOM WILL THE VOTERS send to the capital? In November elections, 435 representatives and 36 senators are to be elected. Democrats are campaigning hard, trying to cut Republican strength in the legislature.

## Politics Is Again in the Air

**Crucial Mid-Term Elections Are Taking Place This Fall. Most Members of Congress Will Soon Plunge into Vigorous Routine of Campaigning**

THE nation's lawmakers are trying to finish up their work this month. They want to get out of Washington and back to their home states. Most of them have a political campaign to wage between the time of their home-ward return and November 2.

The balloting that will take place this fall is known as the mid-term elections. It was two years ago that President Eisenhower was elected, and it will be two years more before the next Presidential election. But even though no President will be named this year, the November political contest will be extremely important. The outcome will determine the make-up of the 84th Congress, which will play a major role in governing the country during the next two years.

Americans in all 48 states will go to the polls this fall. In 47 states, election day will fall on November 2. Maine, following an old custom, will do its voting in September.

In the autumn balloting, voters will choose 435 members of the House of Representatives—the entire membership. Each representative is chosen for a two-year term.

Every two years the terms of one third of the 96 U.S. senators expire. This year slightly more than one third of the Senate membership—36 in all—will be chosen because several senators whose terms would not have expired at this time have died (Taft of Ohio, Tobey of New Hampshire, and Hoey of North Carolina) and one (Nixon of California) resigned to become Vice President.

In addition, governors will be chosen in 34 states. Countless other state and local officials will be selected.

In at least half the states, candidates for the November balloting have not yet been chosen. They will be named in primary elections taking place from now until September. One primary election—in Oklahoma—will be held tomorrow, July 6.

The primaries are really the elimination rounds in our voting process. They are the contests in which the different parties name the candidates who will later compete in the general election. The primaries, starting last April, have already been held in about 20 states.

As soon as the primary elections wind up in September, the tempo of the campaign will pick up all over the country as candidates carry their views to the voters. The Republicans, who are now in charge of organizing both houses of Congress, want to maintain their position and, if possible, to strengthen their hold on the federal lawmaking machinery. The Democrats aim to cut into the Republican strength and, if possible, get control of Congress.

In mid-term elections, *national* issues do not usually get the emphasis accorded them in Presidential elections. This is explained by the fact that there are no *national* candidates who must appeal to all the voters of the nation. Senators and governors are elected by the voters of a single state, while members of the House of Representatives and most other can-

didates are chosen by the voters of districts smaller than states.

Thus, *local* issues play a big part in mid-term elections. A congressman from a farm district, for example, is likely to stress issues pertaining to agriculture and the welfare of the farm population. One from a large city may emphasize such things as housing and the welfare of industrial workers.

Numerous local issues will be debated this fall. In many areas, these local matters and the personalities of the candidates will decide the elections. However, there are a number of national issues which will be debated by many candidates prior to the November balloting. Among these issues are likely to be the following:

### Foreign Policy

**Republicans:** A notable achievement of the Eisenhower administration is its ending the war in Korea. Good headway is now being made toward setting up a Southeast Asia defense group. This record contrasts sharply with the general lack of attention paid by the Democrats to the Far East in the days right after World War II when the communists were gaining strength rapidly.

**Democrats.** Our foreign policy, particularly in regard to the situation in Indochina, has been vague and often contradictory. In fact, it is hard to tell from one day to the next just what our policy—as drawn by the Republican administration—is. Unfortunately, Democrats have not been consulted on foreign policy matters to the extent that Republicans were during recent Democratic administrations.

### State of the Economy

**Democrats.** When the Republicans took office in 1953, less than 2 million Americans were unemployed. To-

(Concluded on page 2)

## French Seeking Peace in Asia

**Troubled French Are Hopeful End of War in Indochina Will Ease Problems**

A NEW "doctor," Premier Pierre Mendes-France, is trying this month to cure France's serious political, military, and economic ailments. The premier hopes to put the sick country on the road to health by July 20. If he doesn't, Mendes-France says, he'll resign so that someone else can take over.

France certainly needs a cure for her many ills quickly. She is close to defeat in her Asiatic protectorate, Indochina, after more than seven years of war against communist rebels. In France itself, the building of defenses against communism is behind schedule.

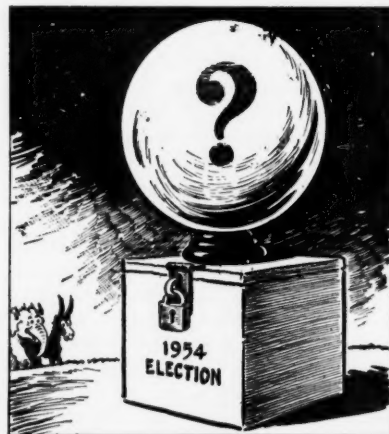
Factories, with much out-of-date equipment, are not producing enough goods to meet French needs. On the whole, industry lags behind competitors in the race for world trade.

Bickering by France's many political parties makes efficient government almost impossible. The French are sharply divided on the question of whether West Germany should be allowed to build an army. The French dispute is holding up plans to strengthen European defenses by the use of German troops, a plan that the U. S. government favors.

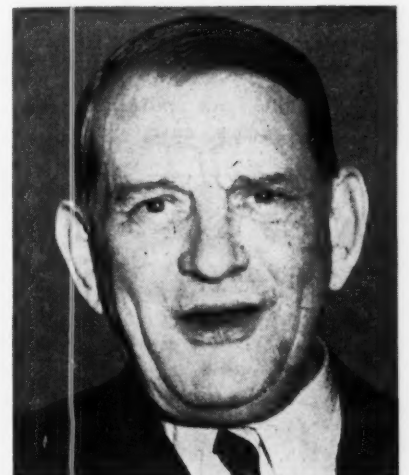
Premier Mendes-France seeks to cure France with a three-point program. He wants first to end the fighting in Indochina by negotiation with the Reds. If the fighting can be stopped by July 20, the premier proposes to shake up the nation's economy and get industry on a sounder footing. Mendes-France then hopes to settle the German armament question.

The U. S. is keenly interested in the results Mendes-France may ob-

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1954 CRYSTAL BALL



**PRESIDENT RENÉ COTY** of France. His job is mostly honorary, but he acts as a go-between for parliament whenever a new French premier is to be chosen.



# Fall Elections

(Concluded from page 1)

day this figure has risen to about 3½ million. Farmers are having a tougher time, too. The prices of the things they sell have dropped, while the cost of what they buy remains high. All in all, the businessman has gained ground at the expense of the farmer and laborer.

**Republicans.** The economy is in a healthy state today. The end of the Korean war naturally curbed certain defense industries, and lessened demand for some farm products. Recent figures indicate that the readjustment period is about over, and employment is on the upswing again. Meanwhile, the Eisenhower administration will continue to promote a sound economic program insuring a fair division of the national income among various groups.

## Defense

**Republicans.** In our defense forces, more stress is being placed on atomic power and less on ground troops. The "new look" which the Eisenhower administration is giving to our defenses will provide the greatest possible protection at the least possible cost.

**Democrats.** The Republican administration has "talked tough," but has seriously cut the size and effectiveness of our armed forces. The recent plan to reduce the Army by two divisions jeopardizes our ability to strike back effectively in case Russia attacks us.

## Communist Infiltration

**Democrats.** No loyal Americans will tolerate communists in government, but the Republicans have blown the issue of Red influence in government up out of all proportion. They have made exaggerated and conflicting claims as to the number of "subversives" they have removed from government. Their zeal to profit politically by this issue was a factor in bringing on the disgraceful fight among the Republicans in the much-publicized Army-McCarthy hearings.

**Republicans.** The record is plain for all to see that many communists infiltrated our government during previous Democratic administrations. Under the Republicans, these communists and Red sympathizers are being cleaned out. As to the Army-McCarthy hearings, it is far better to bring disagreements like this into the open and have them threshed out than to try to hide them. That is the American way.

These are some of the national issues that are likely to receive attention this fall. Such matters as taxation, trade policy, farm price sup-



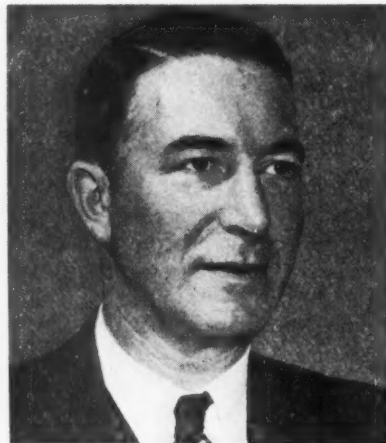
John Cooper  
Republican of Kentucky



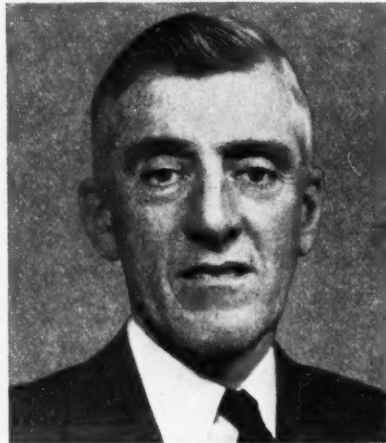
John McClellan  
Democrat of Arkansas



Margaret Smith  
Republican of Maine



Estes Kefauver  
Democrat of Tennessee



Leverett Saltonstall  
Republican of Massachusetts



Paul Douglas  
Democrat of Illinois

## SIX WELL-KNOWN SENATORS WHO HOPE THE VOTERS WILL RE-ELECT THEM THIS FALL

ports, and other issues may also figure in the campaign. To what extent they will supply campaign material may be determined by what Congress does—or fails to do—in the remaining weeks it is in session. The over-all record that Congress makes may—of itself—also be a campaign issue.

How the voters react to national and local issues will determine the make-up of the Congress which meets in January 1955. At present the two parties are almost even. The House has 219 Republicans, 215 Democrats, and 1 Independent. The Senate has 48 Republicans, 47 Democrats, and 1 Independent.

In mid-term elections, the party out of power usually—but not always—makes gains. Thus, the Democrats are optimistic that they will take over control of Congress this fall, particularly since the present margin of the Republicans is very small. The latter, on the other hand, think their record has been outstanding enough so that they will retain control of both bodies of the legislature.

A number of contests around the country are already attracting a good deal of attention. One is in Illinois

where Joseph Meek, Republican, is expected to give Senator Paul Douglas, Democrat, a hard fight in the latter's bid for re-election. Meek is the president of a large trade association in Illinois.

Another close race is expected in Ohio where George Bender, a veteran member of the House of Representatives, has been nominated by the Republicans to fill out the Senate term of the late Robert Taft. Opposing him will be Thomas Burke, Democrat, who was appointed to succeed Taft during the interim period between the latter's death and this fall's elections.

Another Congressman, Sam Yorty of California, a Democrat, aspires to take over the Senate seat now held by Republican Thomas Kuchel. The latter will be running for the first time, as he was appointed to the post earlier to succeed Richard Nixon, who had been elevated to the Vice Presidency.

In Kentucky an interesting race is shaping up between Republican Senator John Cooper and former Vice President Alben Barkley. Barkley, a Democrat, spent many years in Congress before serving as Vice President under Harry Truman. He has suffered only one election defeat during a political career of about half a century. Cooper is Kentucky's first Republican senator in many years.

In Tennessee, Estes Kefauver, who made a strong bid for the Democratic Presidential nomination in 1952, is seeking re-election. There is much speculation as to whether his opponent will be Ray Jenkins, who gained national prominence as special counsel in the televised Army-McCarthy hearings. Late last month Mr. Jenkins had not definitely made up his mind whether or not to run for the Senate.

Several lawmakers who are holding important posts within the Senate are

seeking to be returned to office. Among them are Styles Bridges of New Hampshire, Republican, who is president pro tempore of the Senate, and Homer Ferguson of Michigan, Republican, chairman of his party's Senate Policy Committee. On the Democratic side, Lyndon Johnson of Texas, minority floor leader, is seeking re-election.

One senator who is likely to retain her seat this fall is Margaret Chase Smith of Maine. Late last month Mrs. Smith won the Republican primary election by a landslide vote. Maine is traditionally a Republican state, and the winner of the Republican nomination usually comes out on top in the final contest held in September.

Most of the southern states, on the other hand, are traditionally Democratic. There, as in Maine, the big battle is often in the primary voting. Among southern Democratic senators who will take part in primary elections within the next month or two are Richard Russell of Georgia, John McClellan of Arkansas, Allen Ellender of Louisiana, and James Eastland of Mississippi. If these senators win the primary elections confronting them, they are almost sure to triumph in November.

Some of the gubernatorial contests will receive wide attention, too. Political observers are watching the situation in New York closely, for the governorship of this large state has often been a steppingstone to a high place on the national political scene. Whether Republican Governor Thomas Dewey will seek re-election remains to be seen. Leading candidates for the Democratic nomination for governor appear to be Franklin Roosevelt, Jr., a member of the U.S. House of Representatives, and Robert Wagner, Jr., mayor of New York City.



TALBURT IN WASHINGTON NEWS



# Iran Hopes Its Oil Will Flow Again

Middle Eastern Land Is Poor After Three-Year Shut-Down of Its Oil Wells

IRAN may soon be back in the oil business again. Negotiations are under way with the British to reopen the big refinery at Abadan. If the talks go well, Iranian oil may be offered on the world market once more.

This is good news for the Middle Eastern nation. For a long time Iran had a big income from the sale of petroleum. Because of a dispute with Britain, though, Iran has been unable to sell much oil for the past three years.

In order to understand how it all started, we must go back to 1901 when Iran agreed to let Britain develop her vast oil resources. The British formed the Anglo-Iranian Oil Company, which bought machinery and built refineries. The British were so successful that Iran became the world's fourth largest producer of oil.

Iran shared in the profits, but the Iranians were dissatisfied with the amounts they were getting and demanded more money. The British agreed to double the payments in 1949, but many Iranians felt the offer wasn't big enough. They urged their government to throw the British out and nationalize the oil wells.

Mohammed Mossadegh, the leader of the anti-British campaign, became premier in 1951. After refusing all British offers to settle the quarrel, Mossadegh took over the oil properties. The British were forced to leave the country.

But the Iranians ran into trouble in trying to manage the fields alone, and Iran soon lost most of her customers. By the summer of 1952, the Middle Eastern nation was almost broke. The U.S. tried to end the deadlock but failed.

In August 1953, Mossadegh—backed by communist mobs—tried to seize control of the government and drive out Iran's Shah (king). After a bloody battle, army forces loyal to the Shah were able to win out and stop the revolution. Mossadegh was jailed and a new premier—General Fazollah Zahedi—was appointed.

Now, a year later, Iran is still in bad shape, but there is hope for the future. Premier Zahedi is working to settle the dispute with the British and get his nation's oil fields back into production. The Iranian leader is also trying to get the communists in Iran under control and to rebuild the army into a strong fighting force. While there are many problems ahead, it looks as if Iran is headed for better days than she has had for some time.

**THE LAND.** With an area of 630,000 square miles, Iran is about a fifth as big as the United States. Iraq and Turkey lie along her western frontier, Soviet Russia and the Caspian Sea are on the north, and Afghanistan and Pakistan on the east. Southern Iran fronts on the Persian Gulf and the Arabian Sea.

Iran is located on a high, dry plateau—about 4,000 feet above sea level. The plateau is ringed with mountains, some of which reach above 10,000 feet. There are narrow coastal lowlands along the Caspian Sea in the north and the Persian Gulf in the south. Lifeless deserts cover large areas in the east. In the west are dry regions similar to those in the western United States.

Iran has hot summers with practically no rain. In January, on the other hand, temperatures sometimes drop to freezing.

**RESOURCES.** Iran has considerable mineral wealth, but except for oil it has not been widely developed. Deposits of lead, iron, manganese, zinc, coal, copper, and marble are found there.

Iran's chief wealth is oil. The most important field is in southwestern Iran, near the port of Shushtar.

There are forests near the Caspian Sea which supply firewood, railroad ties, and gums. Fishing is an important business on the southern coast.

**PEOPLE.** Nine tenths of Iran's 20 million people are poor farmers. About two million of them are wandering tribesmen who drive their flocks of sheep from place to place in search



OIL AND GAS soon may be flowing through these pipes again, if negotiations with Great Britain for reopening of Iran's refineries are completed

of better pastures. A visitor to Iran often sees a long cavalcade of tribesmen with their flocks, tents, and household goods spread out for miles along the dusty mountain trails. While the nomads are supposed to be under control of the Iranian government, actually they rule themselves. The man who is the best shot and the best horseman leads his tribe.

The more settled farmers live in tiny villages. Usually they have no modern conveniences. Drinking water in some villages runs through the streets in open canals. Under such conditions it is not surprising that there is a good deal of sickness.

Life is somewhat better in the cities than on the farms. The rich live as comfortably as do wealthy residents of any land. But there are also slums in which thousands of people are crowded together. They live in mud huts along narrow, dirty streets, earn little money, and have hardly enough to eat. They probably are even worse off than the Iranian farmers.

**EDUCATION.** Though Iranian youngsters are supposed to go to school, many small villages haven't any classrooms. As a result, large numbers of people in Iran can neither read nor write. However, the nation is making some progress in building new schools.

**FARMS.** Poor soil and not enough rain are an old story in Iran. Nearly all crops have to be irrigated. Because there are so few rivers, the water must come from underground springs.

The farmers work in their fields with tools just as crude as those used centuries ago. To make matters worse, few farmers own their fields. Most of the land belongs to rich landlords. Each farmer tills a tiny plot of a huge estate and gets only a

small share of what he raises in return for his work.

It is difficult to grow big crops under such conditions. Iran needs more modern machinery and a better method of irrigating her soil. She also needs to help farmers purchase land of their own. However, the Iranian farmers manage to raise wheat, barley, sugar beets, corn, cotton, melons, and vegetables. Near the Caspian Sea—the most fertile part of Iran—they grow rice, tobacco, and fruits. The big crop near the Persian Gulf is dates.

**INDUSTRY.** There are few factories in Tehran, the capital, or in any other part of Iran. Most goods are made by hand. Only a few plants turn out carpets, textiles, cement, and cigarettes. The big oil refinery at Abadan is modern, but most of the nation's factories are small and old.

Iran needs a better transportation system. At present, there are only 17,000 miles of motor roads, and only one fifth of these are surfaced. Iran has only 1,748 miles of railroads.

**PLACE IN THE WORLD.** Outsiders are interested in Iran for two reasons: (1) She owns vast oil resources. (2) She lies near important gateways to Europe, Asia, and Africa.

It is easy to see, therefore, why Uncle Sam is anxious that Iran does not fall into communist hands. Both we and our allies in Europe need Iranian oil. If Iran were to fall to the communists, the whole Middle East and its rich oil fields would be threatened. Russia could also use Iran as a military base from which to launch attacks on other lands in Asia.

Given time, peace, and proper leadership, Iran can become a prosperous land with enough food and goods for her people. In order to do so, though, she must remain a free nation.



IRAN is one of the leading oil-producing nations in the Middle East



# The Story of the Week

## Newsmaker

Pierre Mendes-France, the new French Premier, is acting swiftly to seek an end to the Indochina war and to fulfill the other conditions on which the life of his cabinet depends. He promises to resign if he has not made progress in ending the battle in Indochina by the middle of July.

Mendes-France represents the younger members of the French Parliament who advocate economic and social reforms for their country. He was born in Paris in 1907. After attending college and law school, he became the youngest lawyer admitted to the bar in France.

Mr. Mendes-France entered politics early in his life, first participating in local affairs. He also found time to write several books on financial matters. At the age of 30, he became Undersecretary of State for Finance.

In 1939, Mr. Mendes-France began



FRENCH PREMIER Pierre Mendes-France

his military service as a lieutenant in the French air force. He was later imprisoned, but escaped to England, and flew in a French bomber group organized there.

On his return to France after the war, he returned to government service, and from 1946 to 1951 was re-elected to the National Assembly. Called upon to form a cabinet in June 1953, Mr. Mendes-France failed by only 13 votes to receive the necessary majority. On June 18 of this year, however, he was asked again to attempt to form a government. This time, he received overwhelming support in the Assembly and immediately took over leadership of his country's affairs.

## Power Controversy

President Eisenhower recently touched off a new fight over public versus private power with an order to the Atomic Energy Commission. The President directed the AEC to make a 25-year contract with a private power company. This private company would supply electricity now furnished to an atomic plant in Kentucky by the Tennessee Valley Authority.

The President's directive created a fight in the Congressional Committee on Atomic Energy. Some of the congressmen on the committee and three of the five members of the Atomic Energy Commission oppose the move ordered by the President. They be-

lieve that the AEC is independent to manage its own affairs, and that the proposal is illegal.

They further charge that the new contract would cost the government 90 million dollars more than if the power were supplied by TVA. Some members of the Congressional committee accused the administration of attempting to block further development of the TVA.

Those in favor of President Eisenhower's proposal hold that it supports a shift in emphasis from public to private power. They argue that some of the higher costs of the power will be cancelled by taxes paid by the private company—taxes which the TVA does not pay. They further state that the switch to private power will aid in increasing the role of private industry in atomic development.

## Britain and China

Communist China will soon send her first official mission to Britain to seek full diplomatic relations between the two governments. The group will be the first to visit London since the Chinese communists came to power in 1949. At the same time, Britain is taking steps to expand its trade in nonstrategic goods with China.

The British government emphasizes that these developments do not involve any change in the diplomatic position of the two countries. Britain will continue to oppose communist China's admission to the United Nations. However, Britain seeks two results in its actions:

(1) The British government believes that diplomatic relations with unfriendly nations are essential in the present world situation. It does not think that peaceful settlements are possible unless the free world bargains with the communists.

(2) The British see great danger in the alliance of communist China and the Soviet Union. They feel that Britain should take any action, diplomatic or economic, which might weaken the alliance. By establishing diplomatic relations with China, they hope to lure that country away from the communist bloc of nations.



BOAT BUILDERS. These workmen in Honduras are carving a boat from a giant tree trunk. The craft will be used for fishing in the Caribbean Sea.

## Fighting in Guatemala

Events have been moving swiftly in Guatemala. About a week ago, former President Jacobo Arbenz Guzman declared that he is resigning from his post. He named Colonel Carlos Diaz, chief of the little country's military forces, as his successor. As these lines are written, it is not known whether Arbenz, who has worked closely with the communists, will continue to wield great influence in Guatemalan affairs.

Meanwhile, the fighting in the Central American land continued last week, and the outcome was still in doubt. The anti-communist rebel forces of Castillo Armas appeared to be forging ahead. They are battling the troops of Diaz and Arbenz.

The United States became directly concerned with the battle when Henry Cabot Lodge, Jr., our delegate to the UN, warned Russia against meddling in the affairs of the Western Hemisphere. The U.S. believes that Russia is supporting the pro-communist government of Guatemala in an attempt to gain a foothold in this part of the world.

The future of Guatemala is still un-

certain. But the anti-communist countries are united in opposing any attempt by Russia to use the situation to disrupt the Western Hemisphere.

## Farm Controls

The administration is taking steps to set up a new system of government controls over farm production. Secretary of Agriculture Benson recently announced the new action. He says it is designed to cut down the large surpluses now held by the government.

The controls, which will affect about 2 million farmers, will involve:

(1) A cut in the number of acres devoted to growing wheat from 62 to 55 million. The new figure is the minimum acreage allowed by law.

(2) A new program under which farmers must follow all acreage controls in order to receive government price support for any crop. At present, farmers must comply only with quotas on any one crop to get federal price guarantees for that crop.

(3) Additional rules that will affect nearly 1 million of the larger farms. These rules will prevent farmers from using land taken out of wheat or other basic crops to grow additional surpluses of different crops.

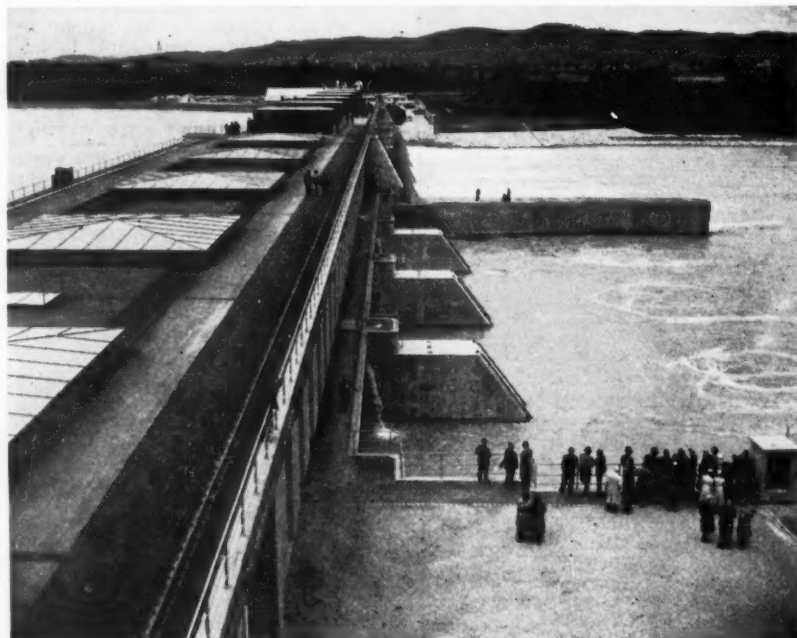
Many farm leaders back the Benson proposals. They feel that under the present price-support program, the controls he urges are necessary.

## Universal Military Training

Top defense officials are studying a new plan for creating a universal military training program. The proposal is designed to follow the desires of Congress. A Pentagon plan for UMT failed to pass in the last Congress.

The new program seeks to establish a standing reserve strength of three million men. If adopted, it would work alongside the regular draft.

As with the old UMT plan, the new one calls for some youths to be drafted for several months' basic training—probably four—and others to be called for two years' training and service. The choice of youths to be inducted for UMT or to serve in the



THIS NEW POWER PLANT is now supplying electricity to Austria and Germany. The two countries cooperated to build it along their common frontier.



Army would be made by lot by local draft boards.

Those in the former group would, after their training, enter a reserve unit for a period of years. Those who served in the regular Army would also be required to participate in a reserve unit, but for a shorter period.

The major change from the present situation would be in the status of men in reserve units. At present, very few drafted or enlisted men are active in the reserves after their tour of duty in the Army. The proposed law would require that men participate in the activities of the reserve group to which they are assigned. Those who favor the new UMT plan believe that this would build up a large number of reserve divisions.

Opponents of the measure feel that universal military training could lead to military control over our nation. They further argue that it is unfair for some youths to serve in the Army for two years while others spend only a few months.

## Coal and Steel

The European Coal and Steel Community plans to undertake a program of expansion. The community will put to work a \$100,000,000 loan it received from the United States last

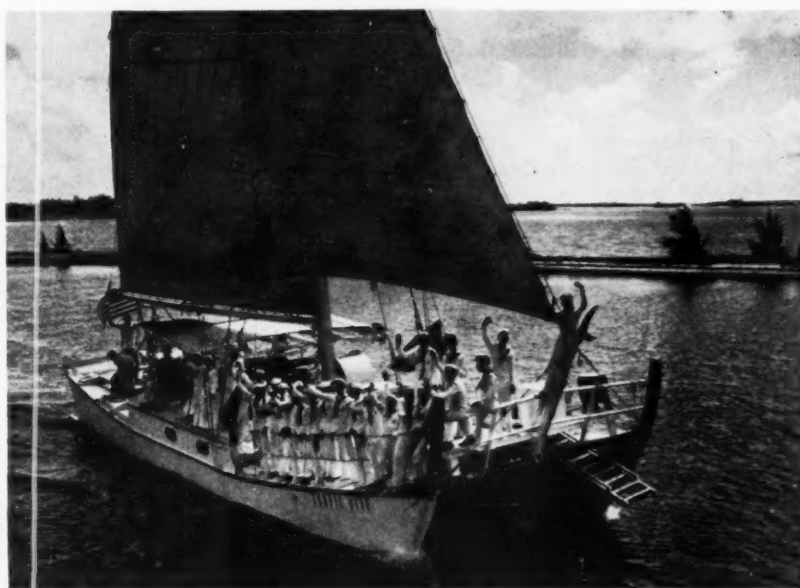


**TEN-YEAR-OLD Kim Sook Za** sewed her own American flag for a July 4 celebration in Korea. She's a student in a school that U. S. forces helped to rebuild after the fighting in Korea.

April. The new activities will include such projects as building more houses for workers and stimulating the industries that produce raw materials for steel.

The European Coal and Steel Community will be two years old in August. It is still headed by Jean Monnet of France. Officials plan to base a European Defense Community, if it can be formed, on the structure of Monnet's organization. The Coal and Steel Community is composed of the six nations—Belgium, France, Italy, Luxembourg, the Netherlands, and West Germany—that would make up the EDC.

In handling the coal and steel of its member nations, the community has done away with customs and marketing quotas. These and other nuisances once strangled the economic development of the nations involved. Now the organization will use its U.S. loan to raise production and lower prices.



**SEA SCOUTS** from Mercedes, Texas, head out to the bay during a visit to Miami, Florida. The Texas lads are far from cruise water at home. So, as Sea Scouts, they went to Florida to try out the ocean waves.

Also, the use of a loan from our country shows that we support the project. This is important at a time when plans for the EDC are faltering.

## Visiting China and Russia

Many distinguished visitors from the free nations are planning to travel to Moscow and Peiping, the capitals of the Soviet Union and communist China. The main objective of the visits is to study a renewal of trade between Russia and China with the nations outside the iron curtain.

Sweden's Foreign Minister is already in Moscow. Now that it appears the European Defense Community, designed to halt communist aggression in Europe, may not be ratified, Swedish leaders wish to improve their country's relations with Russia.

Top leaders of the British Labor Party, including Clement Attlee, plan to travel to Peiping. Britain recognized the communist regime in China over four years ago, but has not been recognized in return. A visit by the British to Peiping will display renewed British-Chinese friendship. Also, the British delegation—though not speaking for its government—is said to be seeking to pave the way for increased trade with Red China.

A distinguished American visitor will also journey to Moscow this summer. Mrs. Eleanor Roosevelt, wife of the late President, will travel throughout Russia and return to write a series of articles for a magazine.

## Defense Costs

The Senate has approved a military budget of more than 29 billion dollars for the defense of the country in the year beginning July 1. The bill is now before a joint conference committee, where the House and Senate will decide on compromises between their slightly different versions. The measure calls for a reduction of 5 billion dollars below this year's defense spending.

The new budget places increased emphasis on atomic air power and less on ground forces. It provides about 11 billion dollars for the Air Force, just under 10 billion for the Navy, and about 7½ billion for the

Army. Only the Navy will receive more than it got this year. Its appropriation includes funds for two new atomic submarines in addition to the two now under construction.

The Army is hardest hit by the new reductions, with a slash of over 40 per cent. This is in line with the plan to cut Army strength from 20 to 17 divisions in the next year.

The bill provides the Air Force with only slightly less money than it received this year. Several billion dollars in funds left over from past years will also be used to increase the nation's air strength.

## Fewer Fireworks

Independence Day, July 4, is traditionally celebrated to the accompaniment of banging, sizzling, and sparkling fireworks. However, yesterday and today have been unusually quiet in most states. This is due to a new federal law prohibiting the shipment of fireworks into states that ban their use or sale. The law went into effect July 1.

Thirty-six states have complete measures curbing the sale or use of fireworks; 10 others have statutes

regulating in some degree their use or sale. Only two states, Nevada and Tennessee, have no such legislation.

The new bill hits mainly at the transportation and sale of fireworks in states where they are banned. The measure was supported in Congress by many medical and safety organizations. One such group cited the results of a survey to back up its support of the bill. This study covered a six-year period during which 78 deaths and 28,102 injuries were caused by fireworks.

## Future of Trieste

Italy and Yugoslavia are weighing a new plan for settling their dispute over Trieste. The proposal, prepared by the United States and Britain, would, if accepted, settle the problem that has divided Italy and Yugoslavia since World War II.

The Trieste area is now divided into two zones, one controlled by Italy, the other by Yugoslavia. U. S. and British troops are stationed in the Italian zone, which includes the port city of Trieste, to maintain peace.

The new plan would give Italy most of the territory it now controls, including the port of Trieste. Yugoslavia would keep the zone it now occupies. The United States would help Yugoslavia build a new port in its territory.

If this plan is accepted and the Trieste dispute solved, one of the major problems of the Mediterranean area growing out of World War II will be settled.

## Pledge of Allegiance

When schools resume in the fall, most students will begin each day with a revised pledge of allegiance to the flag. A resolution recently passed by Congress and signed into law by the President adds the words "under God" to the pledge.

With the latest revision, the pledge now reads: "I pledge allegiance to the Flag of the United States of America and to the Republic for which it stands; one nation under God, indivisible, with liberty and justice for all."



**THE GOOD AND THE BAD.** President Eisenhower is inspecting counterfeit money (top) and genuine currency exhibited by the Treasury Department. The display was presented at a national grocers' convention in the nation's capital.



# Troubles of France

(Concluded from page 1)

tain. American military planners look upon France as the major base in western Europe for defense against communist Russia. In the U. S. view, a strong France is highly desirable.

How did France, once powerful, get into her present difficulties? History gives a good part of the answer. Under the great Napoleon, France ruled much of Europe in the 1800's. But by 1815, Great Britain, Russia, and others had smashed French power and sent Napoleon into exile. The German state, Prussia, arose as a leading European power.

In 1870-71, Prussia defeated France in war. Prussia then joined with neighboring states to form Germany. Quickly, Germany built up her industries, expanded foreign trade, and built a strong army. In the years before 1914, Germany seemed to be out-distancing France.

Outwardly, as a republic, France appeared to recover from the Prussian conflict. Inwardly, though, forces were at work to weaken the nation. Frequent political disputes hampered government. Building military strength was neglected to some degree, and the French were not prepared for the attack by Germany in World War I.

The French, fighting bravely, defeated Germany with the aid of allies, but at tremendous cost. France never fully recovered from the war. Depression in the 1930's led to constant turnovers in government, and both communists and fascists caused trouble. Unity of purpose was lacking.

Germany, in contrast, recovered rapidly in the 1930's under the Nazi dictator, Adolf Hitler. Hitler built a strong army and started World War II. Once again, the Germans invaded France and were driven out only after bitter conflict.

Since the end of World War II in 1945, France has not been able to get her house in order. But once again the old German enemy is doing well. The West German Republic (separate from the east German areas held by Russia) holds a leading position in world trade and is influential in the

conduct of European political affairs.

What about the critical Indochina situation? Before World War II, France ruled Indochina as a colony. At war's end, the Indochinese demanded independence. France met the demand partially by dividing the colony into three states—Cambodia, Laos, and Viet Nam—and granting limited self-government to each.

Viet Nam communists demanded full, not limited, independence, and went to war against the French in 1946. The Viet Nam Reds got weapons from Red China and probably also from Russia.

## The War's Cost

The conflict has cost France heavily in lives and in money, and many Frenchmen feel that the nation can no longer carry the burden. Also, the bulk of France's professional officers and regular soldiers are tied down in Indochina. They are needed at home to train new regiments that France has pledged to help defend western Europe against Russia.

In seeking peace, Mendes-France appears determined to maintain French influence in Laos and Cambodia. However, he appears ready to give some Viet Nam territory to the Reds. It is possible that he may risk losing the whole state by agreeing to an election—under supervision of the United Nations or some neutral countries. If an election is held, there is a good chance that Viet Nam will vote for communist government.

Much as they want the war ended, some American observers fear that France will make too many concessions to the Reds. The communists could gain advantageous positions from which to start new attacks in Southeast Asia.

What about German rearmament? The dispute in France over German armament centers around a proposed European Defense Community (EDC). Troops of France, West Germany, Italy, Belgium, the Netherlands, and Luxembourg would be banded together in a single army and wear identical



FRENCH TROOPS on training maneuvers. Under agreements with the U. S. and other allies, France is supposed to provide large forces for European defense.

uniforms. The combined force would defend all six lands in EDC.

A good many Frenchmen favor the plan. They feel that German manpower is needed for anti-communist defense. They think, too, that West Germany is democratic and would not become a danger to France as did Germany in the past.

A great many other Frenchmen, quite probably a majority, oppose EDC. Some, remembering past wars with Germany, don't want Germans to build armed forces of any kind. Others would let the West Germans build a limited force, but would not mix it with French and other troops.

When he took office on June 17, Mendes-France said that he would seek a compromise plan on EDC and ask the French parliament to approve it. The plan probably would call for the use of German troops, but in a limited manner.

If France fully rejects EDC or fails to bring up an acceptable compromise idea, the U. S. and Britain likely will seek some other way to arm West Germany. Such a step could lead to greater American cooperation with the Germans and less with the French.

How are French industry and agriculture doing? Neither industry nor agriculture is producing as well as possible, despite 12 billion dollars in U. S. aid and considerable help from the French government since 1945.

France, having good land, can produce all the food she needs. Some experts say that the French could feed 70 million people by using more modern farm methods. Actually, grains and some other foods are now imported for the present population of only 43 million.

Largely at government insistence, French steel and coal industries have been modernized and can compete with those of West Germany. Other industries have not done so well. French automobile manufacturers, for example, cannot compete with the Germans and British.

One trouble is that Frenchmen usually prefer to sell a few products at a high price for a big profit. They favor a protected market and dislike competition. They often are reluctant to pay for new machinery that could improve their products. Mendes-

France hopes to correct the economic difficulties by encouraging greater production and a competitive free-enterprise system like that under which U. S. business operates.

Where does government fit into the French picture? It has much to do with the present weakness of France. In theory, the French republic is run by an executive and a legislative branch of government. In practice, the Chamber of Deputies (lower house of the legislature) controls the executive branch of government.

The Chamber controls the executive side of government, because the premier, or chief executive, cannot hold office without Chamber support. Trouble arises because the Chamber is made up of many different parties—at least a dozen. None has a majority, so several must work together to name a premier.

## Party Bickering

When parties do cooperate, they rarely agree for very long. A dispute arises. One or more parties refuse to continue cooperation with others in the legislature. The premier loses majority support in the Chamber and has to resign.

Eighteen governments have been in and out of office since 1945 because of the lack of unity and frequent quarreling among the legislators. Last month, Mendes-France became head of the 19th French government since 1945. He won a Chamber majority largely because of his promise to seek an end to the war in Indochina. If he fails to get peace, he may be forced out of office in a short time.

What, then, about France's future? Hope for France lies in the democratic traditions of the country. There are many French communists now, it is true, but their numbers are diminishing. Most of the French are true lovers of freedom. They are ready and willing to fight for that freedom, as they often have done in the past.

Even so, the situation is serious. The French must begin to work together quickly to solve their troubles. Otherwise, France may be doomed to increasing weakness. In that case, she could no longer be counted upon as a valuable ally for the defense of all free Europe.



FRANCE holds a strategically valuable geographic position in Europe



## Giant Strides

By Walter E. Myer

WE have so many troubles and fears in this war-clouded, atomic age that we are likely to become utterly discouraged and to think that we have lost completely the road to progress. When we fall into such a gloomy mood, we need something to restore our faith, and we can gain poise and confidence by reading the history of the nation. This will give us an idea of the great forward movements which have characterized American life.

Consider, for example, our progress toward more humane living. We have gone a long way in that direction. Not long ago I was leafing through John Bach McMaster's "History of the People of the United States," and came upon his story of changes which have come about in the treatment of the unfortunate.

Writing of the years following the Revolution, McMaster tells of almost unbelievable brutalities, unnoticed or approved by the people. "... the laborer who fell from a scaffold or lay sick of a fever," he says, "was sure to be seized by the sheriff the moment he recovered, and be carried to jail for the bill of a few dollars which had been run up during his illness. . . ."

The jails and prisons where all kinds of offenders were thrown together were dark and filthy. There was no treatment for the ill. Insane persons were tied up by their thumbs and flogged. There was no mercy for the unemployed or their starving families.

The early Americans had many virtues and are in most respects entitled to the admiration of later generations, but there was less sympathy in those days toward people in distress than is the case now.

Many individuals today are hard and cruel. A much larger number are thoughtless and inconsiderate. But giant strides have been made toward the development of a truly humane society, and this is one of the most glorious achievements of our history.

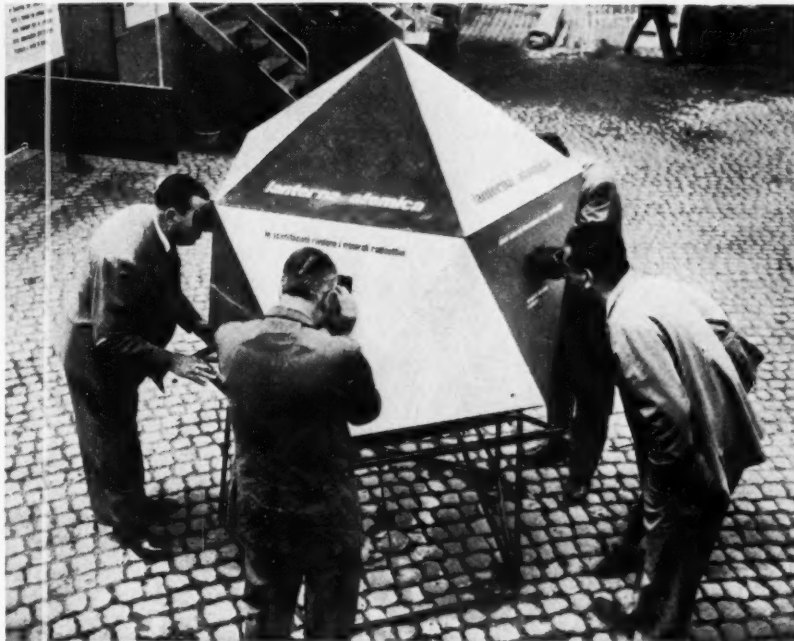
The term "humane" is defined as "having or showing" such helpfulness toward men and the lower animals as should characterize human beings; having or showing kindness and tenderness, with a desire to relieve distress."

More Americans than ever before measure up to that description. In increasing numbers, men and women are moved by a sympathetic regard for the aged, the infirm, the unemployed, the poor. Not only is pity felt, but there is a widespread demand that something be done to relieve suffering and misfortune. There is greater interest today than ever before in the common welfare, in improving the health of all the people, in providing higher standards of living, in furnishing educational opportunity to all the young people of our nation.

Despite brutalizing wars, America has tried to help the unfortunate. She has clung to the humane ideal. That is her best claim to world leadership.



Walter E. Myer



LOOKING AT THE ATOM. Italians in Rome look through eye-pieces of this odd-shaped "lantern" to get a view of the atom world. The device is part of a show demonstrating the peaceful uses of atomic energy.

## Science in the News

A NEW brake will make it possible for high-speed jet planes to stop more quickly. Engineers have been trying to perfect such a device in order to make use of the short runways of today's airports. Ordinarily, jets need a longer runway in order to bring their planes to a stop.

The new device consists of a double set of blades locked inside the tail assembly of the plane. These are moved into a stream of hot gases, causing a reversal in the plane's motion. This acts as a brake, and quickly brings the plane to a halt. In a recent demonstration the device actually made a jet plane move backwards on a runway.

Ordinary wheel brakes big enough to stop jets in their landing would require too much weight for the speedy planes to carry.

★

Mexican engineers are blaming their ancient Aztec ancestors for the fact that their capital, Mexico City, is sinking. The Aztecs claimed, according to legend, that their gods told them to build their empire on a lake. Later, when the Spaniards conquered the Aztecs, they used the same site for Mexico City.

The Spaniards eventually drained off the lake waters, and the result is a spongy subsoil which has been sinking ever since. Mexico City has some 3,000 artesian wells from which water is taken. Engineers say the soil contracts as it loses more and more water to the wells. For this reason the engineers would like to halt all use of underground water in order to prevent any further sinking.

If the city's wells are boarded up, the capital must have more water from other sources. Two years ago a new system was built which brings in water from the outside. But alone the system would not provide enough water.

Mexico City's Palace of Fine Arts and its historic cathedral have sunk 15 feet since the turn of the century. Whole streets are out of line and many of the city's monuments are tilting. Unless something is done, the city could sink some 300 to 600 feet more.

The platypus, one of the world's rarest and most homely animals, may be on the increase. Australian officials have ordered a survey of the strange animal after noticing that the creature has been seen in areas recently where it has not been noticed for many years. Australia is the animal's only natural home.

The platypus used to be trapped for its soft velvety fur, but the Australian government banned trapping it when it seemed the animal was becoming extinct.

The animal is noted for its broad duck-like beak, and is called the duck-billed platypus. It is a water animal which grows only to the length of two feet. With its webbed feet and large bill, it spends a great deal of time in rivers and streams, scooping its meals out of the water. Naturalists have a hard time observing the creature, for it is shy and stays in out-of-the-way places.

The platypus is thought to be among the most primitive of animals. Some scientists believe it is a survivor of an age linking mammals with mammal-like reptiles some 190 million years ago.



RADIO WAVES in San Francisco keep businessmen in touch with their offices. A light-weight receiver picks up signals over a 20-mile radius. If the listener hears his telephone number broadcast from a central transmitting bureau, he calls his office to find out what is wanted.

## Study Guide

### Elections

1. Why is this year's November balloting called the "mid-term elections"?
2. What offices will be filled this fall?
3. What kind of issues—in general—plays a big part in the mid-term voting?
4. Give the pros and cons on the foreign policy issue.
5. What are three other national issues that may figure in the voting?
6. What is the strength of Republicans and Democrats in Congress at present?
7. Tell who the opposing candidates are in several of the outstanding senatorial races.
8. Why do political observers watch the gubernatorial contest in New York State closely?

### Discussion

1. Among the issues that are shaping up, which one do you think the Republicans can use to best advantage? Which one appears best for the Democrats? Explain.
2. Do you favor the election of a Republican or a Democratic Congress in November? Give reasons for your answer.

### France

1. In what ways does Premier Mendes-France propose to try to solve his country's difficulties?
2. Tell how historical events brought about a reduction of French power.
3. How does Mendes-France hope to settle the war in Indochina?
4. Why is the U. S. concerned by the French negotiations with communists over Indochina?
5. What is the position of French industry and agriculture today?
6. Tell something about the weaknesses of France's government.
7. Why does the U. S. hope that France can cure her ills?
8. For what reasons may France have a chance to regain her old position of power?

### Discussion

1. Do you think that West Germany should be allowed to build an army? Give reasons for the viewpoint you take.
2. Should we continue to work with France and try to help her solve her difficulties? Why or why not?

### Miscellaneous

1. Who is Pierre Mendes-France? What promise has he made to the French people?
2. What action by President Eisenhower touched off a new fight over public versus private power?
3. Describe some provisions of the administration's new farm program.
4. How much has the Senate set aside in new defense funds for the coming year?
5. Why is Iran important to the free world?
6. What led to the British-Iranian fight over oil?

### Pronunciations

Abadan—ā-bā-dān'  
Castillo Armas—cās-tē'lyō ār-mās  
Estes Kefauver—ēs'tēs kē'fah-vēr  
Fazollah Zahedi—fā-zlō-lā' zā-hē-dē'  
Jacob Arbenz Guzman—hā-kō'bō ār-bēnz gōōs-mān'  
Laos—lā'ōz  
Mohammed Mossadegh—mōō-hām'mud maw-sā-dēk  
Peiping—bay-ping  
Pierre Mendes-France—pyār mahn-dess'frāns  
René Coty—rē-nā' kō-tē'  
Shushtar—shōōsh-tār'  
Viet Nam—vē-ēt' nām'

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# Weekly Digest of Fact and Opinion

The opinions expressed in these digests are not necessarily endorsed by THE AMERICAN OBSERVER.

**"Now the Nationalists Challenge Adenauer,"** by M. S. Handler, *New York Times Magazine*.

Reunification of Germany appears to be as far off in the future as ever. West Germany is no closer to winning her full independence now than she was a year ago. These facts have stirred nationalism anew in West Germany.

There is now a serious challenge to Chancellor Adenauer's concept of European cooperation. More and more West German politicians and industrialists are talking about a "new look" in foreign policies. A debate is in the making on whether the Germans should cooperate with their western neighbors or "go it alone" as an intermediary between the free nations and the Soviets.

Adenauer, of course, is opposed to extreme nationalism. He is unlikely to change his views in the future. He maintains that Germany's isolation from European cooperation and her nationalism were responsible for the disastrous military defeats of the past. Adenauer fervently believes that West Europeans can and must work together to stop the onward march of Russian communism.

Actually, nationalism as an organized force does not yet exist in West Germany. Its rebirth was delayed for a time because of that country's rapid economic recovery after World War II, and the general acceptance of Chancellor Adenauer's leadership.

However, the foundation for nationalism has always been present. It has been gaining strength in recent months, and may soon become a real challenge to Adenauer's policies. It is already present in the schools, where German achievements of bygone days and the alleged superiority of German culture are again being emphasized. It is creeping more and more prominently into political speeches.

In the future, much depends upon the final fate of Western European integration and the European Defense Community. The defeat of these programs would provide a powerful stimulant to those groups and individuals who are thinking along nationalistic lines.

The danger in West Germany is that the idea of European cooperation, nurtured so carefully by Adenauer, may simply die for want of nourishment. That nourishment can only consist of encouragement in the sense that the materialization of a unified



UNITED PRESS  
**WILL THESE GERMANS** be aggressive soldiers? Many European observers are worried about the revival of German nationalism.

Europe is not impossible, and that France will in the end accept West Germany in a partnership to preserve the cultural, political, and economic unity of Western Europe.

**"The Gold Coast,"** by Barbara Ward Jackson, *Foreign Affairs*.

The Gold Coast, now that it is a sovereign state, offers a test case for the whole of Africa. In the entire continent, the Gold Coast is the third independent government composed entirely of Africans. Only Ethiopia and Liberia also enjoy independence.

For some time, the crucial question in Africa has been whether or not native Africans could take responsibility for their own destiny. Hence, the Gold Coast experiment will be closely watched by Africans and non-Africans alike. The new sovereign state is a proving ground for African maturity. It has become a symbol. Rightly or wrongly, its achievements or failures will be judged in this light.

Leader of the Gold Coast is Dr. Nkrumah, who was educated in the United States and Britain. His political group, the Convention People's Party, was overwhelmingly returned to power in a free election last month. At the same time, the people of the Gold Coast approved a constitution providing complete independence for the land, though keeping ties with Britain as a member of the Commonwealth of Nations.

The Gold Coast presents an outstanding example of cooperation between Africans and Europeans. Britain which formerly held the African land as a colony helped it along the road to independence. And today the British are genuinely interested in helping the people of the African country make a success of their experiment. In fact, Prime Minister Nkrumah has invited former colonial officials to remain in the Gold Coast to help build a new nation.

There is still much to be done in the Gold Coast. Trained people are needed to develop its agriculture and improve the living conditions of its people in other ways. Outside help is needed to carry on these necessary development programs. But the outsiders must come to the African land as friends not as masters. Both sides—technicians from other nations and

the Africans—must show self-restraint to avoid hostility and the rise of extreme "anti-foreignism" and nationalism in the Gold Coast.

The age of imperialism is dead in the West. But what is the new age of which the Gold Coast is one of the first harbingers? The groundwork of good will and confidence has been laid there. What is built on them now depends fully as much on the vision and dedication of the West as on the patience and maturity of the new African leaders.

**"Tip on Tipping,"** an editorial, *St. Louis Post-Dispatch*.

Tipping has been a custom so long that it is surprising that 65 per cent of the people questioned in a recent survey definitely disapprove of it. Organized labor opposed it as far back as 1896 when a barber's union condemned it as "humiliating and degrading."

The AFL Hotel and Restaurant Employees and Bartenders International Union agrees. It has expressed itself to the effect that organized workers would be willing to end tipping in return for better wages. Similar views have been voiced by an employers' organization which ought to know something about tipping, the American Hotel Association.

According to the United States Chamber of Commerce, 1.8 million workers in this country depend on tips for the major part of their income. These tips have been estimated to amount to some \$750,000,000 a year. Workers who depend on them suffer a special kind of insecurity. The Industrial Commissioner of New York, Edward Corsi, says with justification: "Tipping is unworthy of labor in the twentieth century."

**"Colonialism Must Go,"** an editorial, *Kansas City Star*.

Secretary of Defense Charles E. Wilson after returning from the Far East this spring reported that many people of the region are more concerned about colonialism than about aggression. It isn't clear to them that aggression is the real threat. So there is the difference in their attitude and ours. Many of the people in Indochina want to be rid of the French because they believe in the doctrine of Asia for the Asians. There-

fore they are not alert to the menace of the Reds.

We should make our Asian friends aware of the real problem they face. We also ought to make our attitude on this issue absolutely clear. Secretary of State Dulles was aware of the need for such clarification when he said that, if we should intervene in Southeast Asia, it would not be in support of colonialism but of freedom. That means the kind of freedom we granted to the Philippines and the kind the British granted to India and Burma or the Dutch to Indonesia.

The plain fact is that the colonial system is washed up in Asia. It has been made a ready excuse for the work of the communists. It must be removed if the free world is to do the work that must urgently be done.

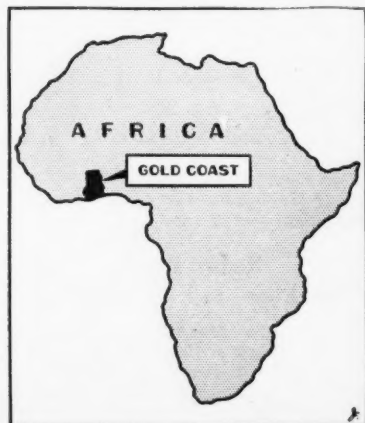
**"Dangerous Thoughts,"** an editorial, *Christian Science Monitor*.

Senator Fulbright feels that "the primitive know-nothings are again on the march." He says education itself is suspect in America, and it has almost reached the point where an educated man is considered to be a security risk.

It is a fact that today, when university education is open to more citizens than could have been dreamed possible when our Constitution was adopted in 1789, the exceptionally well-educated man, the professional scholar, the "intellectual" has fallen in public esteem from the position of honor he held among the Founding Fathers. The trained, analytical mind, stored with the riches of history and challenging the assumptions of mediocrity, was once thought to be a bulwark of liberty. Now it is often assumed to open a man to pernicious Red influences.

There is a certain type of cold intellectualism that really does lose touch with common human values. But, in general, the remedy for deficiencies of judgment is not less thought, but more thought; not a narrower but a broader education. The GI's who elected to stay with the communists in Korea were not college men. Many of them were not even high school graduates, and some had not finished grade school.

Various ex-communist intellectuals point out that they were regarded with suspicion by party leaders of little education. Hence, we see that both the extremes of the left and of the right, demagogue and despot, fear the educated mind.



MAP FOR THE AMERICAN OBSERVER BY JOHNSON  
**THE GOLD COAST** region is well on the way to independence from Britain



SENATOR J. W. Fulbright of Arkansas is worried about rising prejudices against educated men and women